

Washington, D.C. – The U.S. House of Representatives marked Tax Day 2008 by passing the Taxpayer Assistance and Simplification Act of 2008, legislation designed to help make the tax code easier to understand, level the playing field for middle class families, and stop taxpayer harassment by ending the private collection of federal taxes.

“Too many Americans dread tax day simply because our tax code is such an onerous and complicated document,” said Congressman Bishop. “This bill simplifies the process and eliminates wasteful spending by ending the private collection of taxes.”

This week the Washington Post reported that the IRS’ contracts with privately-owned entities that collect taxes cost the IRS \$37 million more than it generates.

The Taxpayer Assistance and Simplification Act also includes measures to make the tax code easier to use and understand. Currently, the tax code contains more than seven hundred provisions affecting individuals and more than fifteen hundred affecting businesses – a total of more than 1.4 million words. The confusing tax code costs taxpayers more than \$1 billion annually because taxpayers make the wrong decisions on tax forms. The bill passed today strengthens IRS outreach and assistance efforts to help ensure taxpayers know they are entitled to tax refunds or to payments under the Earned Income Tax Credit.